

Slater Technology Fund, Inc.

Meeting of the Board of Directors

May 18, 2005

In accordance with the Amended and Restated By-laws of Slater Technology Fund, Inc., a Rhode Island non-profit corporation (the “Corporation”) a meeting of the directors of the Corporation was held on Wednesday, May 18, 2005, commencing at 8:00 a.m. (the “Meeting”). The Meeting was called to order by Michael McMahon, the Chairman of the Board. In attendance were: Charles M. Hazard, Jr., William Jackson, Toby Lederberg, Michael McMahon, Rick Reed, Cynthia Reed, Jeff Seemann, Neil Steinberg, Jerry Schaufeld and Geoffrey Davis (Mr. Davis joined the meeting several minutes after it began and was not present for the first two resolutions). Also present were Charles Kingdon, Ken Arnold, Rich Horan, Ron Unterman, and Thorne Sparkman, as well as Jayne Donegan, legal counsel and Secretary to the Corporation. Mr. McMahon stated that a majority of the directors were present and constituted a quorum.

Mr. McMahon requested that legal counsel summarize for the Board the accomplishment of the merger of the Slater entities and explain the proposed resolutions distributed to the Board. Ms. Donegan then made her presentation.

Mr. McMahon then stated that the first order of business was to establish the Investment Committee of the Board. Upon motion duly made and seconded, it was:

RESOLVED: That the Corporation establish, and it hereby does establish, an Investment Committee to assist the Managing Directors in making portfolio investment decisions and that the following persons be, and they hereby are, appointed by the Corporation to serve as members of the Investment Committee of the Corporation, each to serve in such capacity until their successors are chosen and qualified, or until their death, resignation or removal, whichever event shall first occur:

William Jackson

Charles M. Hazard, Jr.

Jerry Cerce

Habib Gorgi

Mark Canha

Jeff Vogel

Mr. McMahon then stated that the next order of business was to elect Rick Reed as a Vice President of the Corporation. Upon motion duly made and seconded, it was:

RESOLVED: That Richard C. Reed be, and he hereby is, appointed as the Vice President of the Corporation to serve in such capacity until

his successor is duly elected and qualified;

Mr. McMahon then gave a description of the role of EDC in small business activities in Rhode Island and stated that the next order of business was to adopt a resolution with regard to the EDC representative to the Corporation. Upon motion duly made and seconded, it was:

RESOLVED: That the EDC Representative (as defined in the Corporation's By-laws) be entitled to attend, and participate in, all meetings of the Investment Committee, provided that he or she shall not be a voting member of the Investment Committee;

Mr. McMahon then stated that the next order of business was to consider establishing Advisory Boards of the Corporation. After discussion and upon motion duly made and seconded, it was:

RESOLVED: That the Corporation establish four Advisory Boards to assist the Managing Directors in evaluating opportunities within the four distinct technology fields in which the Corporation focuses, i.e. interactive technologies, biomedical technologies, marine and environmental technologies, and design and manufacturing that the Managing Directors be directed, and they hereby are directed, to provide to the Board their recommendations for individuals to serve as members of the Advisory Boards of the Corporation such that such appointments may be made at the next meeting of the Board of

Directors, or earlier by written consent of the Board, if requested by the Managing Directors, and, from time to time, thereafter;

Mr. McMahon then stated that the next order of business was to consider the proposed Investment Policy of the Corporation. After discussion and a change to the proposed Policy providing for unanimous consent of all three Managing Directors, and upon motion duly made and seconded, it was:

RESOLVED: That the Corporation establish, and it hereby does establish, the Investment Policy attached hereto as Exhibit A;

Mr. McMahon then stated that the next order of business was to consider a proposed Conflict of Interest Policy for the Corporation. After discussion, the Board decided to consider a revised policy at its next meeting.

Mr. McMahon then stated that the next order of business was to authorize the Managing Directors to approve investments, subject to compliance with the Investment Policy. Upon motion duly made and seconded, it was:

RESOLVED: That each of the Managing Directors, acting singly, be, and they hereby are, authorized, empowered and directed to approve portfolio investments (provided that in the event that an investment decision would result in an aggregate exposure to a single company

in excess of \$500,000 then the approval of the Board of Directors shall also be required), and to execute, acknowledge and deliver all related agreements or other documents and to advance appropriate funds, provided that the aforementioned Investment Policy is followed;

Mr. McMahon then stated that the next order of business was to adopt updated banking resolutions. After a brief discussion and upon motion duly made and seconded, it was:

RESOLVED: That the proper officers of the Corporation be, and they hereby are, authorized to execute revised banking resolutions as required by the Corporation's depository bank, in order to authorize each Managing Director of the Corporation to have sole authority to sign checks and advance funds for up to \$10,000 per item and to require a second signature from either the Chairman of the Board, the Treasurer or the Vice President of the Corporation for items exceeding \$10,000, said resolutions to be annexed hereto and adopted by the Corporation as if set forth herein in their entirety;

Mr. McMahon then stated that the next order of business was to appoint new Board members to begin serving on the Board as of July 1, 2005. Upon motion duly made and seconded, it was:

RESOLVED: That, effective as of July 1, 2005, each of the following individuals be, and each hereby is, elected as a Class I Member of the

Board of Directors of the Corporation, to serve in such capacity for a three year term and until his successor has been duly elected and qualified:

Kenneth Arnold

Charles Kingdon

Roger Mandle

Bernard Buonanno

Mr. McMahon then stated that the next order of business was to adopt the following resolutions. Upon motion duly made and seconded, it was:

RESOLVED: That the Chairman, President, Treasurer and Secretary of the Corporation be, and each of them acting singly hereby is, authorized, empowered and directed to execute, acknowledge, deliver and file any and all certificates, agreements, approvals, authorizations, consents or other documents, take any and all steps and do any and all things deemed necessary or appropriate by any of them in order to effectuate the purposes of the foregoing resolutions.

RESOLVED: That all actions of the Boards of Directors of the predecessor corporations of the Corporation be, and they hereby are, ratified and confirmed as acts by and in the name of the Corporation.

The Board then held a discussion of items to be placed on the

agenda for its next meeting, including other Board committees, strategy and parallel funding. Mr. McMahon gave a legislative update, followed by brief remarks by Mr. Horan.

There being no further business to come before the directors, upon motion duly made, seconded and unanimously carried, the meeting was adjourned.

A true record.

Dated

Jayne Donegan, Secretary

Exhibit A

Slater Technology Fund, Inc.

Investment Policy

Prior to making a proposed Slater Technology Fund portfolio investment (an “Investment”), the following procedure shall be adhered to:

(i) A Managing Director sponsoring an Investment shall receive written concurrence on the Investment from each other Managing Director before proceeding toward Investment approval;

(ii) The Managing Director sponsoring the Investment shall hold a formal consultation with the appropriate Advisory Board by either holding a meeting in person or by teleconference to discuss the Investment in depth;

(iii) Upon receiving the concurrence of the Advisory Board, the Managing Director shall schedule a presentation to the Investment Committee of the Board, including principals from the company as well as representatives from the Advisory Board, as appropriate;

(iv) Approval of two-thirds of the Investment Committee shall constitute approval of the Investment, except as provided in (v) below;

(v) Notwithstanding the foregoing, in the event that an Investment decision would result in an aggregate exposure to a single company in excess of \$500,000, then the approval of the Board of Directors shall also be required.

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